



Heather Shirley Smith
Deputy General Counsel

Duke Energy
40 W. Broad Street
Suite 690
Greenville, SC 29601

o: 864.370.5045
f: 864.370.5183

heather.smith@duke-energy.com

December 1, 2020

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk and Executive Director
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, SC 29210

**Re: Actions in Response to COVID-19
Docket No. 2020-106-A**

Dear Ms. Boyd:

Duke Energy Carolinas, LLC and Duke Energy Progress, LLC (collectively, “Duke Energy” or the “Companies”) hereby provide the Public Service Commission of South Carolina (the “Commission”) with an update on the Companies’ planned return to normal operations during the COVID-19 pandemic. On August 17, 2020, the Companies informed the Commission that certain normal business practices, including resuming disconnections and reinstituting late payment and other customer-related fees, would resume in South Carolina on October 1, 2020 and that no service disconnections for nonpayment would occur before October 12, 2020. The Companies remain committed to working with customers as South Carolina continues to face challenges from COVID-19 and provide the Commission with the following updates.

RETURN TO NORMAL OPERATIONS

The Companies returned to standard billing and payment practices on October 1, 2020. The resumption of disconnection for nonpayment practices is intended to prevent customers from accumulating arrearages that they would be unable to manage. By processing through the disconnections, the Companies can identify the most vulnerable customers in arrears to ensure they have the opportunity to access available assistance funding. Customers in arrears have received notices triggered from the billing system about their past-due balances in addition to notification regarding payment arrangement options. The return to standard billing and payment practices resulted in disconnections for nonpayment under regular credit and notice timelines on or after October 12, 2020, for residential and nonresidential customers with delinquent balances who have not requested a payment arrangement before that date.

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Duke Energy recognizes the financial impacts of the COVID-19 pandemic, and the resulting hardship faced by many of its customers, which is why the Companies waited to return to standard billing and payment practices. The Companies continued to communicate their planned actions to their customers as well as ensure customers were aware of available assistance options.

The Companies view disconnection as a last resort. That is why, for several months, the Companies have been working with customers who are experiencing financial hardship due to the COVID-19 pandemic and need additional time to pay any outstanding balance. The Companies have been contacting customers who are behind on their bills to offer payment plans to eligible customers to provide more time to pay past due bills and to avoid disconnection once disconnections resumed. Disconnecting a customer's electric service is always the absolute last resort, and we work with customers to prevent that from happening, including providing referral information to customers who may need and qualify for payment assistance from local agencies. Notification of a potential disconnection serves as a catalyst for customers to contact Duke Energy to make payment arrangements, pay their bills and to also seek assistance from customer assistance agencies. We continue to encourage customers to contact the Companies, either via our website or customer care organization, to make payment arrangements to begin bringing their accounts current and to avoid any service disruption.

CUSTOMER ASSISTANCE OPTIONS

The Companies are offering their customers payment plans and directing them to agencies that may help prior to disconnection occurring. Customers who need payment plans are not required to make down payments, and no customer on a payment plan who is current on that arrangement will be disconnected. Customers who enter into an extended payment plan must pay their current charges beginning in November 2020 and will be able to restructure their outstanding payment arrangement balances as needed through March 2021, although specific payment plans may extend past that time.

The Companies' customer care specialists are prepared to support customers through these challenging times and provide manageable solutions so customers can maintain their electric service. Customers also have access to self-service options on duke-energy.com.

The Companies will continue to provide assistance to residential and business customers whose accounts have fallen behind due to illness or lost wages. Support for these efforts includes:

- Federally funded programs like the Low-Income Home Energy Assistance Program (LIHEAP). Additional funds were added to the program due to the pandemic, and the state is urging utility customers to apply through statewide community action agencies. Since the start of Duke Energy's return to normal operations in South Carolina, the Companies have received over 2,800 agency

- pledges for a total of \$1.7 million that will be applied directly to customers' accounts to assist with their bills in South Carolina.
- The added convenience for customers to choose an extended payment arrangement that meets their needs online, anytime. The Companies have also created webpages where customers can request payment plans. To date, over 43,000 customers of the Companies in South Carolina have requested payment plans through the webpages and via the customer contact centers.
 - Duke Energy Progress customers who need additional assistance can visit the Energy Neighbor Fund webpage to learn how community agencies can help pay energy bills.
 - Duke Energy Carolinas customers who need additional assistance can visit the Share the Warmth webpage to learn how community agencies can help pay energy bills.
 - Resources are also available for small business customers as they reopen, from financial assistance to billing and payment options to professional guidance to manage their energy usage.
 - To make it easier to pay, the Companies waived walk-in payment fees for customers for an additional two months once standard billing and payment practices resumed. These fees are resuming in December.

Anticipating the influx of customer calls to discuss options for accounts in arrears, the Companies took steps to increase capacity to address customer call volume by expanding the staff. The Companies also built upon a model used during major storm events, training volunteer employees from all areas of Duke Energy to take specific call types – allowing more complex calls to be handled by more experienced agents. For our return to normal billing activities, the Companies developed a new technology application that allows employees to take calls from their homes for customers requesting extended payment plans. The application presents options appropriate for the customer, and volunteer employees set up the payment arrangement through the tool itself. More complex issues and questions can be transferred back to customer service agents dedicated to supporting the volunteers.

OPERATIONS

The Companies communicated on May 22, 2020, that their workforce would return to offices on a staggered time frame beginning in June 2020. As COVID-19 persisted in the Carolinas, we extended the time frame for when employees who have been remote working will return to offices. The Companies' Phase Two of workforce reintegration, which consists of a small number of employees whose ability to perform their roles is benefited by returning to the office, began returning after Labor Day and is now complete. Phase Three of workforce integration began November 9, 2020, with a small number of leaders returning in advance of their employees. We have continued to check and adjust and determined that, given expectations of rising infection rates during the holidays, the Companies should pause on the Phase 3 return until March 1, 2021. Dates are subject to change based on future levels of virus cases.

DUKE ENERGY FOUNDATION AND OTHER COMMUNITY SUPPORT

As reported to the Commission in comments filed May 22, 2020, the Duke Energy Foundation gave \$760,000 as of that date to aid during the COVID-19 pandemic in South Carolina, including: (1) \$250,000 in COVID-related grants to support hunger relief and social services; (2) \$150,000 to support utility assistance programs and (3) \$20,000 to April tornado relief in Pickens and Oconee Counties. Duke Energy has also worked hard to support food insecurity, energy assistance and education initiatives. Duke Energy's initial \$250,000 COVID-19-related grants helped address social service and hunger relief needs for all ages, children to seniors, resulting from the virus pandemic. Duke Energy's \$150,000 grant provided additional funds to the Share the Warmth and Energy Neighbor programs, to help support approximately 550 households in South Carolina with assistance to pay heating or cooling bills. As explained in the May 22 filing, the Duke Energy Foundation also granted more than \$340,000 to support energy, engineering and environmental educational initiatives in South Carolina. The Foundation afforded grant recipients the option to use the funds for unforeseen operational challenges if the program they originally filed the grant for was impacted due to COVID-19.

In addition to the support described above, the Duke Energy Foundation has been working with the United Way Association and their 211 system manager on additional resources to inform customers about assistance available and processes to follow if they receive a disconnect notice. United Way modified the [SC211.org](https://www.sc211.org) website to make it easier for users to navigate electric bill payment resources. Electric assistance will now be one of the first resources a user sees, on both mobile and computer platforms. Clicking on this option will provide four simple steps for users (contacting their provider, finding help, planning for shut-off, and long-term solutions) and direct callers to a list of local bill payment services based on their zip code. In addition, SC211 will update their on-hold messaging with the following information for those who call in for assistance: "Please contact your local utility provider to ask about payment plans if you're having trouble paying the bill. We encourage you to let them know you're looking for help, even if you don't have the money to pay the bill right now. This may help you and your provider work towards a solution together" and "You can visit SC211.org to search for bill payment assistance right now or stay on the line while we wait for the next available 211 agent. Again, that website is SC211.org."

The Duke Energy Foundation also granted \$100,000 on November 17, 2020, to the United Way Association of South Carolina for the purpose of activation, upgrades, and maintenance of the 211 system for increased usage during the COVID-19 pandemic. Chester, Chesterfield, Darlington, Dillon, and Marion counties did not have 211 systems currently operating because of limited fundraising abilities for the cost of the system. Duke Energy Progress worked with the United Way Association of South Carolina, which agreed to activate the 211 systems for these counties at no cost for ninety days. The \$100,000 will supply the funds for these counties to remain active for one year, providing access to individuals in those counties to resources available in their communities for health and human service needs. The funds will also provide upgrades to the overall 211 systems as it has experienced excessive usage during this time.

The Duke Energy Foundation also granted \$100,000 on November 4, 2020, for utility assistance to grassroot organizations in the Duke Energy service territory that provide smaller scale utility assistance in rural areas. These grassroots utility assistance organizations are outside of our Share the Warmth and Energy Neighbor Fund organizations and the government programs and are vetted by the United Way. Funds will be allocated by the United Way Association of South Carolina to local United Way agencies based on needs throughout our service area geographies. The funds will help approximately 400 individuals who may not qualify for government utility assistance programs. Additionally, the funds are not limited to Duke Energy customers; they will be used to help all residents with electric, gas, and water bills across the counties in which Duke Energy serves.

CUSTOMER COMMUNICATIONS

As outlined in previous filings in this docket, for months the Companies have been proactively reaching out to customers who have past due balances to offer deferred payment arrangements and to help alleviate concerns about return-to-normal operations in advance. Before returning to normal billing practices, the Companies contacted over 160,000 customers in SC who are behind on their bills to offer payment plans. The Companies will continue to help customers access resources to assist and provide additional information that can help reduce their bills as we return to standard billing practices. The Companies have continued to provide updates on the Duke Energy COVID-19 website linked to [duke-energy.com](https://www.duke-energy.com). The Companies sent emails, bill inserts, and bill messages to customers so that they would understand their options given the resumption of billing practices, including payment arrangements and how to contact assistance agencies. The Companies continue to urge eligible customers to take advantage of available financial support through the Low-Income Home Energy Assistance Program (LIHEAP) funds available through statewide community action agencies.

In addition to direct-to-customer communications, the Companies also created information sheets and digital ads that were sent to municipal leadership, community stakeholders, Chambers of Commerce, and state agencies for the purpose of having these entities share through their networks and websites the resources available to help customers. The Companies also partnered with the South Carolina Hispanic Chamber of Commerce and translated customer communications to Spanish to more effectively reach their Spanish-speaking customers. The Companies also leveraged their relationships with organizations like AARP and the Palmetto Agribusiness Council to communicate assistance options to their memberships. The Companies are also contacting organizations, such as food banks and churches, that are already helping our most vulnerable customers to include pre-printed, bilingual flyers in assistance packages. The approaches are varied, but our overall goal was to find ways to communicate the message that “Duke Energy is here to help. Please reach out to us.” – through direct and indirect means.

CONCLUSION

Throughout the COVID-19 pandemic, the Companies have maintained regular communication with the ORS to provide updates on the Companies' pandemic response. Prior to filing this letter, the Companies advised ORS on a frequent basis about customers in arrears and outreach the Companies are performing to make customers aware of payment arrangement and additional forms of assistance.

In response to the pandemic in March, the Governor, the Commission, the ORS, and the Companies all immediately launched a sweeping series of steps to help customers, which have been detailed in various filings in this docket. The Companies remain committed to keeping our employees, customers and communities as safe as possible as the return to normal operations is underway. The Companies appreciate this opportunity to keep the Commission informed of their actions in response to the COVID-19 pandemic.

Sincerely,



Heather Shirley Smith

C: Parties of Record (via email)